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Arizona Corporation Commission
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BEFORE THE ARIZONA CORPORATION COMMISSION

7
8 IN THE MATTER OF THE
9 APPLICATION OF BLACK MOUNTAIN
10 SEWER CORPORATION, AN ARIZONA
11 CORPORATION, FOR A
12 DETERMINATION OF THE FAIR
13 VALUE OF ITS UTILITY PLANT AND
14 PROPERTY AND FOR INCREASES IN
15 ITS RATES AND CHARGES FOR
16 UTILITY SERVICE BASED THEREON.

DOCKET NO: SW-02361A-08-0609

BLACK MOUNTAIN SEWER CORPORATION

CLOSING BRIEF (PHASE 2)

June 12, 2012

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1 **TABLE OF ABBREVIATIONS AND CONVENTIONS**

2 Black Mountain Sewer Corporation uses the following abbreviations in citing to
3 the pre-filed testimony and hearing transcripts in this brief. Other documents that were
4 admitted as exhibits during the hearing are cited by hearing exhibit number. There were
5 no final schedules required to be filed in this phase. Other citations to testimony and
documents are provided in full, including (where applicable) the Corporation
Commission's docket number and filing date.

6 **Other Abbreviations**

7

8 Full term	Abbreviation
9 Boulders East Plant	Plant
10 Decision No. 71865 (Sept. 1, 2010)	Decision
11 Black Mountain Sewer Corporation	BMSC or Company
12 Boulders Homeowners Association	BHOA
13 Wastewater Treatment Plant Closure Agreement	Closure Agreement
14 dated enter September 17, 2009	
15 Wind P1 Mortgage Borrower, LLC dba	Resort
16 The Boulders Resort	
17 Effluent Delivery Agreement dated March 2001	Effluent Agreement
18 Arizona Corporation Commission Staff	Staff

19

20 **BMSC Pre-Filed Testimony**

21

22 Pre-Filed Testimony	Hearing Exhibit	Abbreviation
23 Direct Testimony of Greg Sorensen	BMSC-1	Sorensen Phase 2 Dt.
24 Responsive Testimony of Greg 25 Sorensen	BMSC-2	Sorensen Phase 2 Rt.

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The Resort - Pre-filed Testimony

Pre-Filed Testimony	Hearing Exhibit	Abbreviation
Direct Testimony of Susan Madden	W-1	Madden Dt.
Direct Testimony of Tom McCahan	W-2	McCahan Dt.
Direct Testimony of Dean Hunter	W-3	Hunter Dt.
Responsive Testimony of Dean Hunter	W-4	Hunter Rt.

Staff - Pre-filed Testimony

Pre-Filed Testimony	Hearing Exhibit	Abbreviation
Direct Testimony of Elijah Abinah	S-10	Abinah Dt.

Other Portions of the Record

	Hearing Exhibit	Abbreviation
Hearing Transcript May 8, 2012		Tr.
McBride Engineering Solutions Memorandum	BMSC-3	
Deposition Transcript of Susan Madden	BMSC-4	
Boulders' Updated Response to 3rd Set of DRs by BMSC (3.1)	BMSC-5	
Deposition Transcript of Tom McCahan	BMSC-6	
Deposition Transcript of Dean Hunter	BMSC-7	
BMSC Response to Boulders 1st DRs (1.18)	W-5	
BMSC Response to Boulders 1st DRs (1.12)	W-6	

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ADEQ's Administrative Code,
Title 18, Chapter 9
Stipulation of Facts filed on March 6,
2012
Wastewater Treatment Plant Closure
Agreement

Hearing Exhibit

Abbreviation

W-7

BHOA-6

BHOA-7

7046883.2/016040.0038

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INTRODUCTION

In its first decision in this docket, the Commission used words like “unique,” “extraordinary” and overwhelming” to describe the circumstances surrounding the requested closure of the Plant.¹ If anything, the situation has become more unusual, the wishes of the customers even more extraordinary, and the pressure on the Company even more overwhelming. Therefore, while the Commission may choose to grant the relief requested by the BHOA in this phase of this docket, the Company respectfully requests that the Commission ensure that its order contains the specific language necessary to protect BMSC, the entity who will bear most of the responsibility for compliance.²

ANALYSIS AND ARGUMENT

I. The Genesis of Phase 2 and Status of the Closure³

The Company and the BHOA promptly began taking the steps necessary to fulfill the terms of the Closure Agreement after the Decision was issued. A meeting with the Resort was held the same month, September 2010.⁴ At that meeting, and in the months that followed, BMSC expended significant time and resources evaluating alternative treatment facilities, alternative water supplies, and ways to make the Resort’s existing supplies go further.⁵ Preliminary engineering for the modification of the Company’s

¹ Decision at 49:13-18. The key for conventions and abbreviations, as well as citations to a witness pre-filed testimony is set forth in the Table of Abbreviations and Conventions in pages ii to iv following the Table of Contents. The table also lists the hearing exhibit numbers of the parties’ pre-filed testimony. Other hearing exhibits are cited by the hearing exhibit number and, where applicable, by page number, e.g., Ex. BMSC-1 at 2. The transcript of the hearing is cited by page number, e.g., Tr. at 1.

² In light of the exceptional nature of this matter, the Company has taken the somewhat unusual step of suggesting ordering language for the Commission’s decision, in the event the Commission does or does not order closure. See Relief Requested, Section II.D, *infra*.

³ The facts preceding the Decision are set forth in that Decision and do not need to be repeated.

⁴ E.g., Sorensen Phase 2 Dt. at 2:15-22; Madden Dt. at 7:1-6.

⁵ Sorensen Phase 2 Dt. at 3 – 4; Madden Dt. at 8:1-17.

1 downstream transmission capacity has been conducted.⁶ BMSC also tendered a proposed
2 amendment to its wastewater capacity agreement with the City of Scottsdale.⁷ Then, in
3 February 2011, the Marshall lawsuit against BMSC was filed.⁸ Among other relief, the
4 Marshalls have sought a court order closing the Plant because it is an alleged nuisance
5 given that it sits in the middle of a residential community. The Marshalls also seek
6 damages for personal injury and loss of property values.⁹ Trial in the matter is currently
7 scheduled for January 2013.

8 Meanwhile, in the spring of 2011, the parties had begun to consider the possibility
9 of converting the Plant site to a storage facility. BMSC paid for preliminary analysis of
10 the concept and the information was provided to the Resort.¹⁰ Following this, the
11 Company and the Resort began discussing the possibility, including the valuation of the
12 plant site.¹¹ Then, suddenly and without any explanation or rationale, the Resort chose
13 not to further discussions of this issue with BMSC, or of any other issue that might
14 remedy the situation. Instead, the Resort sent the Company a demand letter.¹² Among
15 other things, the Resort alleged that BMSC breached the Effluent Agreement, threatened
16 litigation and insisted that the Company find the Resort suitable replacement water.¹³

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19 ⁶ Tr. at 142:24 – 143:3; Ex. W-5. This preliminary analysis was first conducted in June 2009, prior to
20 execution of the Closure Agreement. While there have been further discussions in the intervening years
(Tr. at 143:16-19), the engineering analysis and associated costs will need to be updated and finalized if
the closure goes forward.

21 ⁷ Sorensen Phase 2 Dt. at 6:11-12.

22 ⁸ *Id.* at 6:16-22.

23 ⁹ *Id.*

¹⁰ *Id.* at 3:13-20.

24 ¹¹ *See* Hunter Dt. at 5:16-23 and Exhibit A; Hunter Rt. at 3:16-21; Sorensen Phase 2 Dt. at Exhibit GS-
DT2-B.

25 ¹² Sorensen Phase 2 Dt. at Exhibit GS-DT2-B.

26 ¹³ *Id.*

1 The Resort's threat was unsupported by the facts. The Resort's principal witness,
2 Susan Madden, has since admitted that BMSC has fully complied with each of its
3 obligations under the Effluent Agreement:

4 Q. Let's take a look at the Effluent Delivery Agreement
5 again, if you would be so kind, and go back to page 5.
6 And if would you do me a favor and just read to
7 yourself paragraph 6 (a) through (d). Do you see that
8 on page 5 of the Effluent Delivery Agreement? It
9 says, "BCSC's Covenants." Do you see that?

10 A. Uh-huh.

11 Q. And then just read (a) through (d) to yourself, and
12 when you are done, please let me know.

13 A. Okay. I'm finished.

14 Q. Okay. Thank you. Do you have any facts that
15 [BMSC] has not complied with 6 (a) through (d).

16 A. I do not.¹⁴

17 The Resort's groundless demand, coupled with its refusal to collaborate in seeking
18 a resolution to the other customers' concern with the plant location, derailed all the
19 interested parties' cooperative efforts, eventually prompting the BHOA's plea to the
20 Commission.¹⁵ Nevertheless, BMSC has continued to work hard at evaluating possible
21 solutions. Specifically, this spring, BMSC met with the Town of Cave Creek about
22 possibly re-routing the flows that now go to the Plant so that they would instead go to
23 Cave Creek's facility, from where they could be treated into reclaimed water, and then, if
24 an effluent delivery line is built, be sent to the Resort to replace the effluent it now gets
25 from the Company.¹⁶ Thereafter, BMSC obtained a "high-level feasibility" analysis of the
26

¹⁴ Ex. BMSC-4 at 59:17 – 60:6. *See, e.g.*, Ex. BMSC-6 at 59:18-21; Tr. at 79:23 – 80:1.

¹⁵ *See* Tr. at 198:3-16.

¹⁶ *Id.* at 117:7 – 118:22, 119:17 – 120:2.

1 possible interconnection from its outside engineers.¹⁷ This analysis supports the
2 possibility of an interconnection with Cave Creek and effluent deliveries to the Resort;
3 however, the costs to the Company would likely be higher than the costs of purchasing
4 additional capacity from Scottsdale, plus, as mentioned, an effluent delivery line to the
5 Resort would also be needed.¹⁸ Beyond that, and the other steps discussed above, there is
6 simply too much risk that ratepayers will have to pay for stranded costs to allow BMSC to
7 take any further steps towards closure of the Plant given the current circumstances.¹⁹

8 **II. Positions of the Parties**

9 The BHOA's position is clear. The customers still want the Plant closed but the
10 Resort is frustrating the Closure Agreement. Therefore, the BHOA believes that the
11 Commission should order the Plant closed, and by extension the Effluent Agreement must
12 necessarily be terminated.²⁰ BMSC does not believe that the BHOA intends the
13 Commission's order to supersede any condition precedent to closure, except as to the
14 Resort. Nor does BMSC understand the BHOA to be seeking any limitations on the
15 Company's ability to seek recovery of its reasonable and prudent costs.

16 The Resort's position is that the Commission should not order the Plant closed
17 until BMSC and the Resort find a "workable" solution that is both "affordable" and
18 "reasonable."²¹ It is not clear what the Resort would find "workable" because the Resort
19 has: a) stopped working with BMSC on evaluating solutions, b) not identified a single
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21 ¹⁷ Ex. BMSC-3; Tr. at 118:23 – 119:1.

22 ¹⁸ *Id.* See also Tr. at 116:23 – 118:22, 119:2 – 120:2, 121:13 – 123:24, 136:18 – 140:10.

23 ¹⁹ See Tr. at 199:12 – 200:20.

24 ²⁰ Ex. BHOA-3 (admitted in Phase 1 of this proceeding) at Paragraph 6 ("The obligations of [BMSC]
25 under this Paragraph shall terminate if physical conditions at the Boulders East Plant or any laws,
26 regulations, orders or other regulatory requirements prevent or materially limit the operation of the
Boulders East Plant."). The obligations referred to are the Company's obligations to operate and maintain
the Plant as necessary to produce effluent for delivery to the Resort. *Id.*

²¹ Tr. at 40:18 – 41:1.

1 viable solution, or c) expressed a willingness to fund any of the costs of a solution.²² In
2 fact, despite presenting three separate witnesses in this phase, no one participating on
3 behalf of the Resort has any authority to make any decisions regarding the finding and
4 funding of a workable solution.²³ One could reasonably conclude that the Resort's
5 Management, out there somewhere under Blackstone's giant umbrella, is hoping to delay
6 this matter until it goes away or they have no choice but to open the checkbook in 2021.
7 In the end, it shouldn't be surprising that the BHOA wants the Commission to address this
8 issue because the Resort simply won't.

9 Nor should it be surprising that BMSC finds itself caught between the desire of the
10 BHOA to close the plant, and the claimed needs of its single commercial effluent
11 customer.²⁴ On the one hand, BMSC agreed with the BHOA almost three years ago to
12 take steps to close the Plant and no one has alleged that BMSC failed to take good-faith
13 steps to achieve that goal.²⁵ On the other hand, it appears that the Resort will sue BMSC
14 if effluent stops flowing for any reason, notwithstanding that the Effluent Agreement
15 specifically contemplates that BMSC's obligations would be terminated, prior to 2021,
16 under certain conditions that clearly include an order of the Commission.²⁶ This is the
17 reason BMSC insisted on the condition precedent regarding the Resort in the Closure
18 Agreement.²⁷ BMSC was never going to agree to foot the bill for a workable solution for
19 the Resort in order to remove a fully compliant, used and useful asset from service.²⁸ Not
20

21 ²² See *id.* at 56:8 – 57:2, 60:14-20, 80:18 – 81:10.

22 ²³ *Id.* at 50:16-18, 79:7-9, 93:18-20.

23 ²⁴ See Decision at 46 – 47, 49 – 51; Tr. at 154:1-17.

24 ²⁵ Tr. at 79:14-22, 94:16-19; Ex. BMSC-4 at 38:13-23.

25 ²⁶ Ex. BHOA-3 at Paragraph 6.

26 ²⁷ Ex. BHOA-7 at Paragraph 2 (a)(iv); Tr. at 151:6 – 152:6.

²⁸ See Tr. at 196:5-17, 201:20 – 202:8.

1 surprisingly, therefore, the Company now awaits direction and its opportunity to recover
2 the continuing costs related to the closure of the Plant.

3 Unfortunately, it would now appear that it is left to the Commission to reconcile
4 the positions of the BHOA and the Resort and provide the Company the further direction
5 it needs.

6 **III. Commission Authority to Order Closure**

7 Judge Nodes has asked the parties to address the Commission's authority to order
8 BMSC to close the Plant. A related question is whether such an order improperly
9 abrogates or interferes with the Resort's rights under the Effluent Agreement. The short
10 answer is that the Commission could order the Company to take the Plant out of service.
11 Such an order should recognize that BMSC is being ordered to invest capital for the
12 benefit of the customers and that such reasonable and prudent costs shall be subject to cost
13 recovery through rates. Such an order would not be unlawful interference. To the
14 contrary, paragraph 6 of the Effluent Agreement expressly contemplates that a
15 Commission closure might occur and would immediately "terminate" BMSC's obligation
16 to deliver effluent. Of course, that does not mean the Resort will not sue BMSC, forcing
17 BMSC to defend itself, the costs of which BMSC believes would become part of the
18 closure costs of the Plant.

19 **A. Commission Authority**

20 Given the extraordinary facts presented in this case, it appears that the Commission
21 can order closure of the Plant.

22 Article 15, § 3 of Arizona's Constitution provides the Commission the power to
23 make orders for the "convenience" and "comfort" of the customers. Similarly, A.R.S.
24 § 40-202(A) provides authority to "do all things. . . necessary and convenient in the
25 exercise" of its powers to supervise and regulate public service corporations. A.R.S. § 40-
26 321(A) further provides that, with respect to public utility facilities, the Commission can

1 determine what plant is “just, reasonable, safe, proper, adequate or sufficient” and enforce
2 such determination by order.

3 As the court found in *Arizona Corporation Commission v. Palm Springs Utility*
4 *Co.*, 24 Ariz. App. 124, 128, 536 P.2d 245, 249 (1975), the constitutional and statutory
5 authority vested in the Commission includes the “power to make orders respecting
6 comfort, convenience, adequacy and reasonableness of service.” The court went on to
7 find that the Commission could deal with “specialized situations on a case by case
8 approach, so long as there exists a rational statutory or constitutional basis for the action,
9 and the action is not so discriminatory as to constitute a denial of the equal protection
10 clause.” *Id.* at 129, 536 P.2d at 250.

11 This would appear to be such a case. Despite the fact that the Plant is used and
12 useful and fully compliant, the Commission could and, in fact, essentially already has
13 concluded that the BHOA and residential customers in general: a) want the Plant closed;
14 b) understand that such closure would incur new costs; and c) are willing to pay those
15 costs. The Commission could therefore issue an order that finds closing the Plant would
16 promote the public interest. This is largely the reason the Company has been so focused
17 on ensuring that the Commission continues to put ratepayers on notice that the utility will
18 be seeking recovery of the reasonable and prudent costs of complying with its order and
19 continues to provide that opportunity.²⁹

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23 ²⁹ Reconciliation of BMSC’s position in this phase—that the Commission appears to have authority to
24 order closure on the facts presented—with BMSC’s position in Phase 1 of this docket—that some question
25 exists over Commission authority to order capital investment to remove a used and useful, fully compliant
26 asset (Decision at 45:11-28)—is founded primarily on the Decision’s recognition of the costs to be
incurred and provision for recovery. While there would likely be circumstances in which the Commission
could not order a utility to remove facilities from service, BMSC envisions no situation in which the
Commission can order such action be taken and then deny cost recovery, absent some sort of wanton
disregard, negligence, or gross negligence on the part of the utility.

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1 **II. Options**

2 **A. Option 1**

3 Ordering Plant closure will remove the Plant from the residential community,
4 satisfy the BHOA's wishes, reduce the Marshalls' lawsuit insofar as it alleges an ongoing
5 nuisance and seeks Plant closure, and virtually eliminate the possibility of more meritless
6 lawsuits by neighboring homeowners and others. Moreover, closure will not improperly
7 infringe on the Effluent Agreement because it contemplates that there might be a Plant
8 closure order.

9 BMSC's primary concerns are that any such order: (1) not supersede the
10 remaining conditions precedent to closure; and (2) recognize that the Company will be
11 seeking to recover the continued costs of compliance. It is the nature of regulation that
12 the utility's primary goal is financial: specifically, cost recovery. In this case, the
13 Company stands ready, willing and hopefully able to comply with whatever the
14 Commission orders so long as it is afforded the opportunity to recover the costs of
15 compliance. If those costs are incurred, as with the costs already incurred in connection
16 with Plant closure, it will be because the customers deemed them necessary and this
17 Commission agreed it was in the public interest to meet the customers' request.

18 None of which, of course, should be taken as a tacit admission that the Plant
19 constitutes a legal nuisance as alleged in the Marshall lawsuit. Among other things, the
20 Plant is fully compliant with all laws and regulations, the Marshalls voluntarily elected to
21 buy a house next to an operating wastewater treatment plant, and the Company has
22 improved the Plant since the Marshalls bought their house. Still, the Plant sits in the midst
23 of a residential neighborhood whose residents want the Plant removed, and the Company
24 continues to incur the costs of defending against the Marshall lawsuit.

1 **B. Option 2**

2 Option 2, the Resort's choice is to do nothing. The Plant will continue to operate
3 in the middle of a residential neighborhood.³² BMSC has already done all that is prudent
4 and reasonable to reduce odors and noise from its operations. Some odors and noise will
5 continue to be present.³³ As discussed, one lawsuit is already pending against BMSC
6 seeking closure, and as long as the Plant operates, the Company is exposed to more
7 claims, no matter how frivolous such claims may be. Moreover, the Company's rates will
8 not reflect the fact that the cost of operating the Plant, measured in dollars or otherwise, is
9 being borne solely for the benefit of the Resort.³⁴ Put simply – this issue is not likely
10 going away.

11 **C. Option 3**

12 Option 3 is a huge unknown. The best estimate of a possible solution pegs the total
13 cost at an amount higher than the estimated cost of the current closure project.³⁵ Other
14 estimates have put the cost of replacement water at \$10 million.³⁶ Thus, ordering BMSC
15 to close the Plant in a manner that does not diminish the amount of water available to the
16

17 ³² See, e.g., Decision at 37:8-13 (3 homes within 100 feet, 10 homes within 300 feet, 17 homes less than
18 500 feet, and 200 to 300 homes within a 1000 feet of the Plant).

19 ³³ Ex. BHOA-6 at Paragraphs 11-12. See also Decision at 48:21 ("Staff asserts that odors are an
20 unavoidable byproduct of the sewer business").

21 ³⁴ While speculative, it is also undisputed that the BHOA would follow an order that did not close the
22 Plant with an effort to force the price of effluent to a level that would make the Resort terminate the
23 Effluent Agreement, or become more interested in alternative solutions, i.e., the BHOA is very likely to
24 petition the Commission for a BMSC rate case in which the BHOA would argue that the Resort, being the
25 primary beneficiary of the Plant, should bear the primary costs of the Plant. Sorensen Rt. at 12:13 – 13:9.
26 Under the Effluent Agreement, an increase of more than 25 percent gives the resort the option to terminate
the Effluent Agreement. Ex. BHOA-3 at Paragraph 12(a).

³⁵ Ex. BMSC-3. It would be necessary to reroute a portion of the Company's flows to the Cave Creek
facility; and it would also be necessary to construct a line to deliver effluent from the Cave Creek facility
to the Resort. That costs to reroute are estimated to be between \$546,000 and \$1.1 million, and the costs
of a new effluent line are estimated at \$1.3 million to \$2.3 million. *Id.* Again, however, this is a
preliminary assessment of a possible option.

³⁶ McCahan Dt. at 4:5-26.

1 Resort for irrigation places a substantial risk on BMSC, which would be required to make
2 the capital investment to replace the effluent, and on the customers whose rates would
3 have to reflect the substantial cost of this approach to Plant closure.³⁷ Perhaps this is why
4 no one, not even the Resort, has sought such an order, yet.

5 **D. Specific Ordering Language**

6 Given the unique nature of this matter, the Company submits that, depending on its
7 intent, the Commission's order should contain language materially similar to the
8 following suggested provisions.

9 An order denying closure should include language such as the following:

- 10 a. The continued operation of the Plant is just, reasonable, adequate and
11 sufficient in the provision of wastewater utility service by BMSC;
- 12 b. The Plant is and will continue to be used and useful in the provision of
13 service in order for BMSC to continue to provide effluent to the Resort until
14 March 2021 or until such time as the Commission or other Court having
15 jurisdiction orders otherwise or the Effluent Agreement is otherwise
16 terminated in accordance with its terms;
- 17 c. The continued operation of the Plant does not harm or threaten to harm the
18 customers, the Company, the residential community surrounding the Plant,
19 or the public interest;
- 20 d. An accounting order is approved to allow the Company to record and defer
21 the costs of defending the lawsuit by the Marshalls, along with any other
22 similar legal action related to the Plant, for the purpose of seeking recovery
23 of such costs in a later rate case; and
24

25 ³⁷ This risk is very hard to quantify. While the Company and/or the customers could seek rates for effluent
26 that reflect the very high cost, the Resort is then free to walk away from the agreement. Ex. BHOA-3 at
Paragraph 12(a). Thus, absent an advance or contribution, the risk could not likely be eliminated.

- 1 e. No further order of the Commission is necessary on the record presented
2 respecting the comfort, convenience, adequacy and reasonableness of
3 service by BMSC, including its operation of the Plant.

4 An order requiring the Company to close the Plant should include language such as
5 the following:

- 6 a. BMSC and its Plant are in compliance with federal and state law, including
7 Commission and ADEQ rules, regulations, and standards;
- 8 b. Due to its location, the Plant can no longer be operated in a manner that
9 furthers the public interest and should be closed;
- 10 c. Before closing the Plant, the Company shall ensure that, whatever option for
11 obtaining replacement treatment capacity is eventually selected, such option
12 will not result in the Company having to cease deliveries of wastewater to
13 the City of Scottsdale under its existing or an amended agreement;
- 14 d. Nothing in this Order is intended to eliminate or abrogate any of the
15 conditions precedent to Plant closure set forth in the Closure Agreement,
16 although the parties remain free to amend their agreement consistent with
17 our orders related to this matter and applicable law;
- 18 e. Nothing in this Order is intended to or does modify the Surcharge
19 Mechanism approved in Decision No. 71865, including the maximum of
20 \$15 per month per customer, which BMSC has agreed not to seek to modify
21 even if, as now appears likely, its costs to close the Plant exceed the
22 estimated amounts upon which the Surcharge was based; and
- 23 f. In the rate case to be filed no more than 12 months after the Surcharge goes
24 into effect, the Company shall seek recovery of any and all costs it believes
25 it has reasonably incurred in compliance with the Closure Agreement and
26 the Commission's orders regarding Plant closure, including litigation costs,

1 and shall further seek accounting orders for any costs it believes it will still
2 incur post test year.

3
4 RESPECTFULLY SUBMITTED this 12th day of June, 2012.

5 FENNEMORE CRAIG, P.C.

6
7 By 

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9 3003 North Central Avenue, Suite 2600
10 Phoenix, Arizona 85012
11 Attorneys for Black Mountain Sewer Corporation.

12 **ORIGINAL** and thirteen (13) copies
13 of the foregoing were filed
14 this 12th day of June, 2012, with:

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16 Arizona Corporation Commission
17 1200 W. Washington St.
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19 **Copy of the foregoing hand-delivered**
20 this 12th day of June, 2012, to:

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23 Hearing Division
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